

SECRET

BIWEEKLY REPORT

SINO-SOVIET BLOC ECONOMIC ACTIVITIES IN UNDERDEVELOPED AREAS

EIC-WGR-1/7

14 May 1956

**PREPARED BY THE WORKING GROUP
ON SINO-SOVIET BLOC ECONOMIC ACTIVITIES
IN UNDERDEVELOPED AREAS**

ECONOMIC INTELLIGENCE COMMITTEE

SECRET

W A R N I N G

**THIS MATERIAL CONTAINS INFORMATION AFFECT-
ING THE NATIONAL DEFENSE OF THE UNITED STATES
WITHIN THE MEANING OF THE ESPIONAGE LAWS,
TITLE 18, USC, SECTIONS 793 AND 794, THE TRANSMIS-
SION OR REVELATION OF WHICH IN ANY MANNER TO
AN UNAUTHORIZED PERSON IS PROHIBITED BY LAW.**

S-E-C-R-E-T

CONTENTS

	<u>Page</u>
I. Summary of Events, 24 April - 7 May 1956	1
II. Sino-Soviet Bloc	2
A. Soviet Trade Overture to UK	2
B. Sino-Soviet Bloc Trade Offensive in Greece	3
C. Expansion of Czechoslovak-New Zealand Trade	5
III. South and Southeast Asia	6
A. Further Aid in the Development of Oil Resources in India	6
B. Burmese-Soviet Agreements	6
C. Cambodia - Communist China Trade and Payments Agreements	7
IV. Near East and Africa	8
A. Ethiopian-Czechoslovak Trade Agreement	8
B. Rumanian Industrial Exhibit in Cairo	8
C. Cancellation of Polish-Jordanian Contract for Hejaz Railroad	8
V. Latin America	9
A. Soviet Offer for Argentine Pipeline Construction	9
B. Soviet Advertising in Argentina	10

- iii -

S-E-C-R-E-T

S-E-C-R-E-T

SINO-SOVIET BLOC ECONOMIC ACTIVITIES
IN UNDERDEVELOPED AREAS*

I. Summary of Events, 24 April - 7 May 1956.

Sino-Soviet Bloc efforts to expand economic relations with the Free World were directed toward developed as well as underdeveloped areas during the period 24 April - 7 May 1956.

The attempts to expand trade with developed areas in the Free World included the Soviet offer to increase purchases in the UK to an average of US \$450 million to 550 million** annually during 1956-60, the conclusion of a trade protocol between Greece and Bulgaria, and the successful attempt by Czechoslovakia to increase trade with New Zealand.

In South and Southeast Asia, Bloc countries implemented their agreements with India to further the development of the Indian petroleum industry. The arrival of a group of Soviet advisers in Burma to plan the construction of both a hospital project and a technological institute and the departure of a Burmese technical delegation for the USSR highlighted the continuing implementation of economic relations between these two countries. In the same region the Chinese Communists announced that their trade agreement with Cambodia provided for an exchange of goods up to a value of \$14 million.

In the Near East and Africa a trade agreement was signed between Ethiopia and Czechoslovakia, and Egyptian newspapers announced that Rumania would open a permanent industrial exhibition in Cairo. Bloc economic expansion received a setback in Jordan, however, where a contract with Poland to survey and plan the reconstruction of the Hejaz railroad was canceled.

* Although the main emphasis of the Biweekly is on economic activities of the Sino-Soviet Bloc in underdeveloped areas of the Free World, significant Bloc activities of this nature in areas not considered underdeveloped also will be discussed.

** Unless otherwise specified, all dollar values in this report are in terms of US dollars.

S-E-C-R-E-T

25X1

Approved For Release 2005/08/22 : CIA-RDP92B01090R000700010007-3

Next 9 Page(s) In Document Exempt

Approved For Release 2005/08/22 : CIA-RDP92B01090R000700010007-3